

Title 5. Education. Bureau for Private Postsecondary and Vocational Education Department of Consumer Affairs

NOTICE IS HEREBY GIVEN that the Bureau for Private Postsecondary and Vocational Education (Bureau) is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the Department of Consumer Affairs Hearing Room, Suite 1030, at 400 R Street, Sacramento California at 1:00 p.m. on November 16, 1999. Written comments must be received by the Bureau at its office not later than 5:00 p.m. on November 16, 1999, or must be received by the Bureau at the hearing. The Bureau, at its discretion, or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of any modifications that are sufficiently related to the original text, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the contact person, and will be mailed to those persons who submit written or oral testimony related to this proposal, or who have requested notification of any changes to the proposal.

Authority and Reference:

Pursuant to the authority vested by Sections 94774(a)-(d) and (g), 94774.5, and 94778(a) of the Education Code, to implement, interpret or make specific Article 10 of said Code, the Bureau is considering changes to Division 7.5 of Title 5 of the California Code of Regulations as follows:

Informative Digest/Plain English Policy Statement Overview

This proposal will make technical changes to the regulations to recompense the Bureau for its actual costs connected with the qualitative review and assessment process for institutions seeking approval to operate, for its review and qualification determination, and for its other costs to administer the Act.

Current Bureau regulations from various sections in Chapters 1,2,3, 4, and 5 of Division 7.5 of Title 5 of the California Code of Regulations also set forth specified fees which must be paid by applicants seeking approval to operate. The Bureau has amended regulations to modify fees for a qualitative review and assessment (formerly application fees) to more accurately reflect the Bureau's actual cost to conduct the qualitative review and assessment of an institution prior to granting an approval to operate. Fees will vary based upon several factors, including whether the institution is subject to Article 7 of the Private Postsecondary and Vocational Education Reform Act of 1989 ("the Act"), the number of learning sites, and the number and types of education programs. In addition, the Bureau is amending regulations in Article 1, Chapter 5 of Title 5 of the CCR to more accurately reflect the actual cost of conducting a review and determining qualification for a Certificate for Authorization of Service, an agent's permit, and an agency authorization.

The Bureau also is amending regulations in Article 1, Chapter 5 of Title 5 of the CCR to adjust the annual fee which institutions must pay so that the fee is more accurately based on the size of the institution, as required by the Act.

Fiscal Impact Estimates

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

There is no fiscal impact in the current year. For budget year 2000-2001 and on-going years, the Bureau estimates a total net increase in revenues of \$1.9 million.

Nondiscretionary Costs/Savings to Local Agencies:

None

Local Mandate:

None

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement:

None

Business Impact:

The Bureau has determined that the proposed regulatory action will not have any significant adverse economic impact on California business enterprises and individuals, including the ability of California businesses to compete with businesses in other states.

Impact on Jobs/New Businesses:

The Bureau has determined that this regulatory proposal will have no impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Private Persons or Entities:

The proposed regulations will result in fee reductions for some institutions, and therefore, will have a positive economic impact on those institutions. To the extent that the proposed regulations will raise fees that some institutions must pay, those increases more equitably allocate the Bureau's fees among those institutions that offer a greater number of educational programs, and that have greater revenues, as the Legislature specifically requires in the Act. To the extent that an institution elects to raise its tuition

fees in order to obtain increased revenues from which to pay a fee increase, the increase in tuition should be negligible on a per-student basis.

Moreover, the modifications to the fee schedule will ensure that adequate resources are available to benefit and protect students, the general public and compliant private postsecondary institutions from fraudulent practices.

Housing Costs:

None

Plain English Requirement

The Bureau has determined that the proposed regulations would affect small businesses.

The express terms of the proposed action written in plain English are available from the Bureau contact person named in this notice.

Consideration of Alternatives

The Bureau must determine that no alternative which it considered would either be more effective than, or as effective as and less burdensome on, affected private persons than the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

Statement of Reasons and Information

The Bureau has prepared a statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

Text of Proposal

Copies of the exact language of the proposed regulations and of the statement of reasons and other information may be obtained at the hearing or prior to the hearing at the Bureau's website at <http://www.dca.ca.gov/bppve>, or upon request from the Bureau for Private and Postsecondary and Vocational Education at 1027 10th Street, 4th Floor, Sacramento California 95833.

Contact Person

Inquiries concerning the proposed administrative action may be addressed to Nancy Stockman at the above address or at (916) 445-3428.